

# **EXHIBIT I**



## POLICE AND FIRE INVESTMENT COMMITTEE OF THE CITY OF DETROIT

500 WOODWARD AVE. STE. 3000 | DETROIT, MICHIGAN 48226-5492  
PHONE 313•224•3362 | TOLL FREE 800•339•8344 | FAX 313•224•9194

May 14, 2019

**BY FIRST CLASS MAIL and EMAIL**

Mr. Jeffrey Pegg  
Chair, Board of Trustees  
c/o Police and Fire Retirement System of City of Detroit  
500 Woodward Avenue  
Suite 3000  
Detroit, MI 48226

**RE: Approval of Compensation Adjustments for CIO and Deputy CIO**

Dear Mr. Pegg:

This correspondence is written in response to your letter dated April 4, 2019. As you are aware, and per your request, during the most recent Police and Fire Retirement Systems (PFRS) Investment Committee meeting held on May 13, 2019, a joint conference between the Investment Committee and PFRS Board of Trustees was held to discuss the concerns outlined by the Board regarding its disapproval of the Investment Committee's decision to adjust the salary of the Chief Investment Officer and Deputy Chief Investment Officer.

The Investment Committee and Board had a robust and thorough discussion at the joint conference regarding the compensation decision. After the joint discussion, the Investment Committee reconvened, held further discussions regarding the compensation issue, and ultimately reaffirmed its decision regarding the compensation levels of the Chief Investment Officer and Deputy Chief Investment Officer.

Please accept this letter as notification of the Investment Committee's final decision related to this matter.

Sincerely,

Robert C. Smith  
Chair, Investment Committee  
Police and Fire Retirement System of the City of Detroit



RETIREMENT SYSTEMS  
OF THE  
CITY OF DETROIT

500 WOODWARD AVE. STE. 3000  
DETROIT, MICHIGAN 48226  
PHONE 313•224•3362  
TOLL FREE 800•339•8344  
FAX 313•224•3522

May 14, 2019

Robert C. Smith  
Chair, Investment Committee  
Police and Fire Retirement System of the City of Detroit  
500 Woodward Avenue, Suite 3000  
Detroit, MI 48226

Dear Mr. Smith:

The purpose of this letter is to confirm, and provide corresponding directives, regarding the actions taken by the Investment Committee of the Police and Fire Retirement System of the City of Detroit related to the salaries of investment personnel at its meeting on May 13, 2019.

To summarize its decisions, the Investment Committee approved the following salary increases for the Chief Investment Officer and Deputy Chief Investment Officer:

- The Chief Investment Officer's compensation shall increase from \$241,644 to \$315,000, effective January 1, 2019.
- The Deputy Chief Investment Officer's compensation shall increase from \$166,855 to \$224,000, effective January 1, 2019.

To effectuate these decisions, The Police & Fire Retirement System will provide each the Chief Investment Officer (Ryan Bigelow) and Deputy Chief Investment Officer (Kevin Kenneally) with i) a one-time payment representing a "true up" of the salary difference for the period of January 1, 2019 and May 24, 2019, and ii) a bi-weekly check reflecting the difference between their newly approved salaries and the respective salaries provided by the city of Detroit.

The one-time payment adjustment for the salary difference for the period from January 1, 2019 and May 24, 2019 should be processed as follows:

- \$31,035.23 payable to Ryan Bigelow on 5/24/19.
- \$24,176.33 payable to Kevin Kenneally on 5/24/19.

Additionally, for the periods subsequent to May 24, 2019, the Chief Accounting Officer shall process bi-weekly payments to Ryan Bigelow and Kevin Kenneally representing the respective difference in the newly approved salaries, as defined above, and the salaries provided to each by the City of Detroit for that bi-weekly period.

Sincerely,

Ryan Bigelow, Chief Investment Officer

APPROVED AND AUTHORIZED,

Robert C. Smith, Chair, Investment Committee  
Police & Fire Retirement System of City of Detroit

Cc: David Cetliski, Executive Director  
Ramzee Jackson, Chief Accounting Officer